

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6837

BILL NUMBER: HB 1651

NOTE PREPARED: Jan 19, 2005

BILL AMENDED:

SUBJECT: Terms of office of county elected officials.

FIRST AUTHOR: Rep. Richardson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: Local

Summary of Legislation: This bill changes the time when county elected officials of certain counties begin their terms of office to eliminate a year or more delay between the date of the election for the office and the date the individual takes office. The bill provides that an individual who has been elected to a county office at least two times but who does not serve eight full years because the individual's term of office has been cut short to make the terms of office uniform is entitled to vested status in the Public Employees' Retirement Fund and maintains other benefits to which the individual would otherwise be entitled only if the individual were serving eight years in office.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under the bill, approximately 74 county-elected holdover offices would be affected. Newly elected officials are not paid a salary while the holdover office holder is still in office. Therefore, there would be no impact on local expenditures.

Public Employee Retirement Fund: Based on an actuarial analysis of approximately 334 county elected officials in Indiana, unfunded actuarial accrued liability would decrease by approximately \$4,300 with an annual increase in funding of about \$2,500. The impact of this provision would have no effect on employer contribution rates as a percentage of payroll.

Explanation of Local Revenues:

State Agencies Affected: Public Employee Retirement Fund.

Local Agencies Affected: County holdover offices.

Information Sources: Dave Bottorff, Association of Indiana Counties; Doug Todd, McCready & Keane, Inc., actuaries for PERF, 317-576-1508.

Fiscal Analyst: Chris Baker, 317-232-9851.